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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:	
In re:	:	Chapter 11
	:	
General Motors Corporation,	:	Case No. 09-50026 (REG)
	:	
Debtor.	:	
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OBJECTION OF dSPACE, INC. AND dSPACE GmbH TO CURE AMOUNTS

dSPACE, Inc. and dSPACE GmbH (collectively, “Supplier”), by its attorneys Miller, Canfield, Paddock and Stone, P.L.C., hereby objects to Debtor’s proposed Cure Amounts relating to Debtor’s assumption and assignment of certain executory contracts (the “Cure Objection”). In support of its Cure Objection, Supplier states as follows:

PRELIMINARY STATEMENT

1. Supplier is in receipt of the June 5, 2009 Notice of (I) Debtor’s Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property, and (II) Cure Amounts Related Thereto (the “Notice”), in which Debtor states its intention to assume and assign to Vehicle Acquisition Holdings LLC (the “Purchaser”) certain executory contracts between Supplier and Debtor (the “Contracts”). A true and accurate copy of the Notice is attached hereto as Exhibit A.

2. Supplier proposes negotiations with Debtor regarding the issues raised herein in a good faith effort to reach an accord.

ARGUMENT

3. The correct party to be named in the Notice is dSPACE, Inc., not dSPACE GmbH.

4. Debtor asserts, on its website <http://www.contractnotices.com> (the “Website”), a copy of which (as of June 11, 2009) is attached hereto as Exhibit B, that the total Cure Amounts for Supplier is \$334,464.60 (the “Proposed Cure Amounts”).

5. Debtor’s Proposed Cure Amounts do not accurately reflect all existing and potential defaults and are therefore insufficient.

6. Debtor’s Proposed Cure Amounts would deprive Supplier of the full benefit of its bargain and would fail to restore the parties to pre-default conditions.

7. Debtor’s Proposed Cure Amounts listed on the website contain a mistaken subtraction in the amount of (\$74,364.00) (the “Subtraction Amount”) against the Cure Amounts otherwise owed to Supplier. The Subtraction Amount relates to a Supplier invoice previously paid by Debtor to Supplier on November 3, 2008 but has never been raised by Debtor for discount or credit and bears no relation to unpaid invoices by Debtor to Supplier. Therefore, there is no reason the Subtraction Amount should be subtracted from the Cure Amounts otherwise owed to Supplier.

8. Furthermore, Debtor’s Proposed Cure Amounts do not include additional defaults that occurred prior to June 1, 2009 (“Petition Date Defaults”).

9. Furthermore, Debtor’s Proposed Cure Amounts do not include potential defaults accruing after June 1, 2009; all amounts will be due no later than July 14, 2009 and thus Debtor may be in default prior to the closing on Debtor’s sale of substantially all of Debtor’s assets to Purchaser,

which is likely to be completed well after they become due and owing ("Potential Pre-Sale Defaults").

10. Thus, the correct total of Cure Amounts required to cure all existing and Potential Pre-Sale Defaults is \$422,222.60 (for deliveries invoiced in Dollars) and €51,731.17 (for deliveries invoiced in Euros) (the "Correct Cure Amounts"), which includes \$408,828.60 otherwise correctly set forth on the Website as owed to Supplier by Debtor for items shipped by Supplier to Debtor before June 1, 2009 pursuant to purchase orders issued by Debtor, as well as the following adjustments to the Cure Amounts (the "Adjustments"):

- (a) inclusion of €25,616.29, representing Petition Date Defaults and comprising Euro amounts incorrectly excluded from the Website as owed to Supplier by Debtor for items shipped by Supplier to Debtor before June 1, 2009 pursuant to purchase orders issued by Debtor, the details of which are attached hereto as Part I of Exhibit C and supported by substantiating documentation included therewith; and
- (b) inclusion of \$13,394.00, representing Potential Pre-Sale Defaults and comprising U.S. Dollar amounts incorrectly excluded from the Website as owed to Supplier by Debtor for items shipped by Supplier to Debtor before June 1, 2009 pursuant to purchase orders issued by Debtor, the details of which are attached hereto as Part II of Exhibit C and supported by substantiating documentation included therewith;
- (c) inclusion of €26,114.88, representing Potential Pre-Sale Defaults and comprising Euro amounts incorrectly excluded from the Website as owed to Supplier by Debtor for items shipped by Supplier to Debtor before June 1, 2009 pursuant to purchase orders issued by Debtor, the details of which are attached hereto as Part II of Exhibit C and supported by substantiating documentation included therewith; but
- (d) exclusion of the (\$74,364.00) Subtraction Amount, the details of which are attached hereto as Part III of Exhibit C and supported by substantiating documentation included therewith.

11. With appropriate language in a cure letter with Debtor to memorialize Debtor's and/or the Purchaser's commitment to pay the Correct Cure Amounts, Supplier anticipates that its objections based on the Adjustments will be resolved.

RELIEF REQUESTED

WHEREFORE, Supplier requests that the Court grant Supplier the relief as set forth in paragraph 8 of the Notice and such other relief as the Court deems just and proper.

Dated: June 11, 2009

MILLER CANFIELD PADDOCK AND STONE, P.L.C.

By /s/ Donald J. Hutchinson

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CERTIFICATE OF SERVICE

Donald J. Hutchinson hereby certifies that, on the 11th day of June, 2009, he served a copy of the foregoing document, ***OBJECTION OF dSPACE, INC. AND dSPACE GmbH TO CURE AMOUNTS***, upon each of the persons listed on the attached Exhibit 1, by Federal Express Priority Overnight Mail so as to be received by each of the persons listed on the attached Exhibit 1 before 4:00 p.m., June 15, 2009.

Dated: June 11, 2009

By /s/ Donald J. Hutchinson

Donald J. Hutchinson (MI P39545)
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EXHIBIT 1

SERVICE LIST

The Honorable Robert E. Gerber
Chambers
United States Bankruptcy Court
One Bowling Green
New York, NY 10004-1408

General Motors Corporation
Cadillac Building
30009 Van Dyke Avenue
Warren, MI 48090-9025

Attention: Warren Command Center
Mailcode 480-206-114

Weil, Gotshal & Manges LLP
Attention: Harvey R. Miller, Esq.
Stephen Karotkin, Esq. and
Joseph H. Smolinsky, Esq.
767 Fifth Avenue
New York, NY 10153

United States Treasury
Attention: Matthew Feldman, Esq.
1500 Pennsylvania Avenue NW
Room 2312
Washington, DC 20220

John J. Rapisardi, Esq.
Cadwalader, Wickersham & Taft LLP
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New York, NY 10281

Vedder Price, P.C.
Attention: Michael J. Edelman, Esq. and
Michael L. Schein, Esq.
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Diana G. Adams, Esq.
Office of the United States Trustee
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